

# Exhibit B

January 25, 2022

Ryan McMonagle  
United States Department of Justice, Tax Division  
P.O. Box 227  
Washington D.C. 20044

Re: *Joshua & Jessica Jarrett v. United States* (3:21-cv-00419 M.D. Tenn.)

Dear Mr. McMonagle,

Thank you for forwarding Assistant Attorney General Hubbert's December 20, 2021 letter in which he proffers a refund to the Jarretts of the disputed 2019 tax year amount. Thank you as well for emailing the draft stipulation of dismissal on January 5, 2022, and for the call on January 14, 2022. The draft stipulation suggests that, in the Department of Justice's view, the proffered refund brings the parties' dispute to an end. Particularly after our recent call, we cannot share that view.

During the call, you were unable or unwilling to explain the reasons for the Department's proffer, or its meaning for the Jarretts in subsequent tax years – or, indeed, in 2019 itself. The IRS will also apparently not provide any assurances with respect to the sole issue that gave rise to this litigation – whether tokens created through staking a particular cryptocurrency constitute taxable income at the time of their creation. As the question will arise for the Jarretts again in subsequent tax years, they would remain at risk even if they accepted the proffered refund. Notably, you stated on the call that the IRS has not yet processed any refund for the Jarretts.

Therefore, the Jarretts reject the proffered refund and intend to continue vindicating their rights in court. We are happy to discuss next steps with you at your convenience.

Sincerely yours,



David Forst  
**FENWICK & WEST LLP**